COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT) CASE NO. OF SHARPSBURG WATER DISTRICT) 2003-00078

ORDER

On February 28, 2003, Sharpsburg Water District (Sharpsburg) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

- 1. Sharpsburg purchases water from the Bath County Water District (Bath County) and the city of Carlisle (Carlisle).
- 2. Bath County notified Sharpsburg that effective with its February 28, 2003 billing its wholesale water rate would increase from \$1.56 per 1,000 gallons to \$2.22 per 1,000 gallons. Sharpsburg proposes to increase the water rates to its customers effective with bills issued on and after February 28, 2003.
- 3. During the 12 months ending December 31, 2002, Sharpsburg purchased 61,705,000 gallons of water from Bath County and 33,439,000 from Carlisle and sold 78,401,300 gallons. The increase in the cost of purchased water is \$40,725.30, resulting in a purchased water adjustment of \$0.52 per 1,000 gallons.
- 4. The purchased water adjustment of \$0.52 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.52 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for bills issued on and after February 28, 2003.

2. The proposed tariff sheets filed by Sharpsburg are approved as filed.

Done at Frankfort, Kentucky, this 24th day of March, 2003.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00078 DATED March 24, 2003

The following rates and charges are prescribed for the customers in the area served by Sharpsburg Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8 x3/4 Meter: First 2,000 gallons Next 3,000 gallons Next 5,000 gallons Over 10,000 gallons	\$14.84 Minimum Bill 3.77 per 1,000 gallons 3.27 per 1,000 gallons 3.02 per 1,000 gallons
1 Meter: First 5,000 gallons Next 5,000 gallons Over 10,000 gallons	\$26.15 Minimum Bill 3.27 per 1,000 gallons 3.02 per 1,000 gallons
2 Meter: First 16,000 gallons Over 16,000 gallons	\$60.62 Minimum Bill 3.02 per 1,000 gallons
Schools: First 50,000 gallons Over 50,000 gallons	\$163.30 Minimum Bill 3.02 per 1,000 gallons